Consolidated Balance Sheet

At 31 December 2006 (Expressed in Hong Kong dollars)

| Assets Statutory deposits 15 110,403,647 58,540,501 Fixed assets 16 955,190,000 929,437,629 Introsts in leasehold ladh held for 00 929,437,629 112,707,003 Introsts in associates 16 227,288,647 232,336,845 Property and equipment 16 109,492,517 112,707,003 Intrasts in associates 9(6) 69,396,103 60,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,08,1041 30,03,955 Feinsures' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from faillated companies 23 1,328,3827 - Amounts due from affiliated companies 23 1,686,497,492 1,256,833,274 Amounts due from sharholders 23 1,688,1062 2 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds | | Note | 2006 \$ | 2005 \$ |
|---|--|------|---------------|---------------|
| Fixed assets 16 955,190,000 929,437,629 - Investment properties 16 227,288,647 232,336,845 - Property and equipment 16 109,492,517 112,707,093 Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from ellow subsidiaries 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original 111,432,904 16,851,692 - maturity more than three months 11,432,904 16,851,692 - Cash and cash equivalents 26 406,348,779 409,804,674 Insurance payables 27 97,052,828 <th>Assets</th> <th></th> <th></th> <th></th> | Assets | | | |
| - Investment properties 16 955,190,000 929,437,629 - Interests in leasehold land held for own use under operating leases 16 227,288,647 232,336,845 - Property and equipment 16 109,492,517 112,707,093 Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,103,955 368,382,74 Amounts due from fellow subsidiaries 23 13,283,827 - Amounts due from shareholders 23 1,989,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance protection fund 25 3,3571 109,676 Insurance protection fund 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to fellow subs | Statutory deposits | 15 | 110,403,647 | 58,540,501 |
| - Interests in leasehold land held for own use under operating leases 16 227,288,647 232,336,845 - Property and equipment 16 109,492,177 112,707,093 Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,861,041 30,103,955 Reinsurers' share of insurance funds 22 1,666,497,492 1,256,833,274 Amounts due from shareholders 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 26 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance protection fund 25 33,571 109,676 Insurance protection fund 26 406,348,779 409,804,674 Other pay | Fixed assets | | | |
| own use under operating leases 16 227,288,647 232,336,845 - Property and equipment 16 109,492,517 112,707,093 Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 | - Investment properties | 16 | 955,190,000 | 929,437,629 |
| - Property and equipment 16 109,492,517 112,707,093 Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,482,774 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 - Liabilities 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 33,372 | - Interests in leasehold land held for | | | |
| Interests in associates 18 4,679,521 19,979,347 Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from shareholders 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 11,432,904 16,851,692 6,982,280,455 5,265,141,612 Liabilities 24 3,347,781,085 3,191,646,676 109,676 Insurance protection fund 25 33,571 109,676 109,676 Insurance payables 26 406,348,779 409,804,674 0ther payables <td< td=""><td>own use under operating leases</td><td>16</td><td>227,288,647</td><td>232,336,845</td></td<> | own use under operating leases | 16 | 227,288,647 | 232,336,845 |
| Deferred tax assets 9(d) 69,396,103 69,396,103 Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,226,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from affiliated companies 23 13,283,827 - Amounts due from affiliated companies 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 25 3,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Arnount due to the immediate holding company 23 25,694 - Arnounts due to fellow subsidiaries 23 <t< td=""><td>- Property and equipment</td><td>16</td><td>109,492,517</td><td>112,707,093</td></t<> | - Property and equipment | 16 | 109,492,517 | 112,707,093 |
| Investments in securities 19 613,717,189 452,908,457 Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from affiliated companies 23 1,3283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 25 33,571 109,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 3,856,176,788 3 | Interests in associates | 18 | 4,679,521 | 19,979,347 |
| Insurance receivables 20 250,148,274 1,154,952,724 Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from affiliated companies 23 13,283,827 - Amounts due from shareholders 23 1,686,010 - Deposits with banks with original 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 - Liabilities Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 3,654 | Deferred tax assets | 9(d) | 69,396,103 | 69,396,103 |
| Other receivables 21 30,881,041 30,103,955 Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from shareholders 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 2,811,782,317 814,543,198 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 Liabilities 1 109,676 109,676 109,676 Insurance funds 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amount due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Investments in securities | 19 | 613,717,189 | 452,908,457 |
| Reinsurers' share of insurance funds 22 1,686,497,492 1,256,833,274 Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from affiliated companies 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Liabilities Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance protection fund 25 33,571 109,676 Insurance payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 3,654,806,626 3,654,806,626 | Insurance receivables | 20 | 250,148,274 | 1,154,952,724 |
| Amounts due from fellow subsidiaries 23 86,388,966 116,550,794 Amounts due from affiliated companies 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Other receivables | 21 | 30,881,041 | 30,103,955 |
| Amounts due from affiliated companies 23 13,283,827 - Amounts due from shareholders 23 1,698,010 - Deposits with banks with original 11,432,904 16,851,692 - Cash and cash equivalents 24 2,811,782,317 814,543,198 Cash and cash equivalents 24 2,811,782,317 814,543,198 Insurance funds 22 3,347,781,085 3,191,646,676 Insurance funds 25 33,571 109,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Reinsurers' share of insurance funds | 22 | 1,686,497,492 | 1,256,833,274 |
| Amounts due from shareholders 23 1,698,010 - Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 Liabilities 6,982,280,455 5,265,141,612 Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Amounts due from fellow subsidiaries | 23 | 86,388,966 | 116,550,794 |
| Deposits with banks with original maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 Liabilities Insurance funds 22 3,347,781,085 3,191,646,676 Insurance funds 25 33,571 109,676 Insurance protection fund 25 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Amounts due from affiliated companies | 23 | 13,283,827 | - |
| maturity more than three months 11,432,904 16,851,692 Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 Liabilities 6,982,280,455 5,265,141,612 Liabilities 22 3,347,781,085 3,191,646,676 Insurance funds 25 33,571 109,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 3,654,806,626 | Amounts due from shareholders | 23 | 1,698,010 | - |
| Cash and cash equivalents 24 2,811,782,317 814,543,198 6,982,280,455 5,265,141,612 Liabilities | Deposits with banks with original | | | |
| 6,982,280,455 5,265,141,612 Liabilities Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | maturity more than three months | | 11,432,904 | 16,851,692 |
| Liabilities Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding 23 25,694 - company 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | Cash and cash equivalents | 24 | 2,811,782,317 | 814,543,198 |
| Insurance funds 22 3,347,781,085 3,191,646,676 Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | | - | 6,982,280,455 | 5,265,141,612 |
| Insurance protection fund 25 33,571 109,676 Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Liabilities | | | |
| Insurance payables 26 406,348,779 409,804,674 Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 | Insurance funds | 22 | 3,347,781,085 | 3,191,646,676 |
| Other payables 27 97,052,828 43,876,606 Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 - | Insurance protection fund | 25 | 33,571 | 109,676 |
| Amount due to the immediate holding company 23 25,694 - Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | Insurance payables | 26 | 406,348,779 | 409,804,674 |
| company 23 25,694 Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | Other payables | 27 | 97,052,828 | 43,876,606 |
| Amounts due to fellow subsidiaries 23 333,372 228,811 Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | Amount due to the immediate holding | | | |
| Current taxation 9(c) 4,601,459 9,140,183 3,856,176,788 3,654,806,626 | company | 23 | 25,694 | _ |
| 3,856,176,788 3,654,806,626 | Amounts due to fellow subsidiaries | 23 | 333,372 | 228,811 |
| | Current taxation | 9(c) | 4,601,459 | 9,140,183 |
| Net assets 3,126,103,667 1,610,334,986 | | - | 3,856,176,788 | 3,654,806,626 |
| | Net assets | | 3,126,103,667 | 1,610,334,986 |

Consolidated Balance Sheet

At 31 December 2006 (Expressed in Hong Kong dollars)

| | Note | 2006 \$ | 2005 \$ |
|-------------------------------------|------|---------------|---------------|
| Capital and reserves | | | |
| Share capital | 28 | 280,133,400 | 1,336,000,000 |
| Share premium | 28 | 2,111,906,010 | _ |
| Reserves | 28 | 734,064,257 | 274,304,539 |
| Total equity attributable to equity | | | |
| shareholders of the Company | | 3,126,103,667 | 1,610,304,539 |
| Minority interest | - | - | 30,447 |
| Total equity | | 3,126,103,667 | 1,610,334,986 |

Approved and authorised for issue by the Board of Directors on 21 March 2007.

Peng Wei Director Cheng Kwok Ping Director

The notes on pages 63 to 127 form part of these financial statements.